



**STATE BOARD OF EQUALIZATION**

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Executive Secretary  
No. 78/142

August 11, 1978

TO COUNTY ASSESSORS:

SUMMARY OF PROPOSED LEGISLATION NUMBER 29

In compliance with your Legislative Committee's proposal that you be informed of the various property tax bills and amendments being proposed in the State Legislature, we submit to you those measures introduced or amended recently that have reached our office.

We are including only those bills or constitutional amendments that we feel are of importance to you as an assessor. Bills concerning the functions of the tax collector, auditor, and other county or special district officials will usually be excluded.

Copies of bills and amendments introduced may be obtained by placing orders with the Legislative Bill Room (State Capitol, Room 1149, Sacramento, 95814).

SENATE CONSTITUTIONAL AMENDMENTS

No. 42 - Amended June 23, 1978

Senate Constitutional Amendment No. 42—A resolution to propose to the people of the State of California an amendment to the Constitution of the state, by adding Article XXIX thereto, relating to revenues and appropriations.

Existing provisions of the California Constitution do not limit the total annual appropriations of the state or by local government.

This measure would prohibit the annual appropriations of any governmental entity from exceeding the total appropriations of such entity of government for the prior year by more than the annual percentage change in the cost of living and population with certain exceptions.

This measure would also require the Legislature to provide a method of determining the change in the cost of living and for estimating the actual population change for the state and each local government.

Existing statutory law mandates that the state shall reimburse local government for the cost of complying with a state-mandated local program, as defined.

This measure would establish a constitutional mandate that whenever the Legislature or any state agency mandates a new program or higher level of service on any local government, it shall provide an appropriation to reimburse such local government for the costs of such program or increased level of service, with certain exceptions.

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SENATE CONSTITUTIONAL AMENDMENTS (Contd.)No. 42 - (Contd.)

The measure would become effective commencing with the 1979-80 fiscal year.

No. 70 - Introduced July 4, 1978

Senate Constitutional Amendment No. 70—A resolution to propose to the people of the State of California an amendment to the Constitution of the state, by amending Sections 1, 2, and 4 of, and by adding Section 7 to, Article XIII A thereof, and by adding Section 20 to Article XVI thereof, relating to government support and finance.

Existing provisions of the California Constitution limit the maximum amount of ad valorem taxes on all real property to 1% of the full cash value, as defined, and require the 1% tax to be collected by the counties and apportioned according to law to the districts within the counties.

This measure would apply such limitation only to residential real property, would specify such tax shall be apportioned according to law to counties, cities and districts within the counties, and would measure such 1% limitation according to the fair market value of such property for the 1975-76 fiscal year, with certain adjustments thereafter.

This measure would also limit the maximum amount of ad valorem taxes, assessments, fees or other governmental levies on all other real property after May 30, 1978, to 3% of the full cash value of such property.

The existing California Constitution specifies cities, counties and special districts may impose special taxes on such district by a 2/3 vote of the qualified electors of such district.

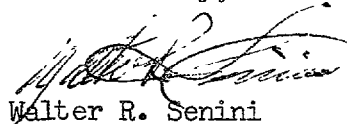
This measure would specify that such taxes may be imposed by such entities pursuant to a 2/3 vote of those voting on the issue at any election.

This measure would provide that the amendment to Article XIII A, approved by the voters on November 7, 1978, shall become effective upon the passage of such amendment.

Existing provisions of the California Constitution do not place general limitations on the amount which may be appropriated by the state or any local entity of government.

This measure would provide that the total amount which may be appropriated by the state or any local entity of government for any fiscal year shall not exceed the appropriations of such entity for the prior fiscal year, increased by the cost of living in such prior fiscal year, as reflected in the consumer price index.

Sincerely,



Walter R. Senini  
Assistant Executive Secretary  
Property Tax Department

WRS:ebv  
Enclosures